United Nations S/2003/939

Security Council

Distr.: General
5 October 2003
English
Original: Arabic

Letter dated 5 October 2003 from the Permanent Representative of the Syrian Arab Republic to the United Nations addressed to the President of the Security Council

I have the honour to request the convening of an emergency meeting of the Security Council to consider the violations of Syrian and Lebanese airspace committed on 5 October 2003 by the Israeli airforce and the missile attack carried out by the latter on the same day against a civilian site situated inside Syrian territory.

(*Signed*) Fayssal **Mekdad**
Ambassador
Permanent Representative

03-54206 (E) 061003 061003

United Nations S/2003/940

Security Council

Distr.: General
5 October 2003
English
Original: Arabic

Identical letters dated 5 October 2003 from the Permanent Representative of the Syrian Arab Republic to the United Nations addressed to the Secretary-General and to the President of the Security Council

On instructions from my Government, I have the honour to transmit herewith the text of a letter addressed to you by Farouk Al Sharaa, Minister for Foreign Affairs of the Syrian Arab Republic, concerning the violations of Syrian and Lebanese airspace committed on 5 October 2003 by the Israeli air force and the missile attack carried out by the latter on the same day against a civilian site situated inside Syrian territory (see annex).

I should be grateful if you would have the text of the present letter and its annex circulated as a document of the Security Council.

(*Signed*) Fayssal **Mekdad**
Ambassador
Permanent Representative

03-54219 (E) 061003 061003

Annex to the identical letters dated 5 October 2003 from the Permanent Representative of the Syrian Arab Republic to the United Nations addressed to the Secretary-General and to the President of the Security Council

I wish to inform you that today, Sunday 5 October 2003, in the morning, the Israeli air force violated the airspace of Syria and Lebanon and launched a missile attack against a civilian site situated inside the territory of the Syrian Arab Republic, in the village of Ain Al Sahib, north-west of the capital, Damascus. This attack has caused material damage.

The Government of the Syrian Arab Republic wishes to inform you of the brazen violation by Israel of Syrian and Lebanese airspace and of the aggression against Syrian territory, acts which constitute a flagrant violation of the principles of international law and mark a new and dangerous escalation. It invites the Security Council to convene an emergency meeting to consider the Israeli aggression against Syrian territory and the measures that it should take to put an end to the policy of provocation and aggression being pursued by Israel against Syria.

By its continuing aggression against the Palestinians and the strategies being adopted to extend the scope of this aggression against Syria and Lebanon, the current Israeli Government confirms yet again by its practices that it is a Government of war and not a Government of peace.

Syria is not incapable of establishing a balance of resistance and deterrence that would oblige Israel to revise its approach. Syria has demonstrated extreme restraint fully aware that Israel is attempting to fabricate all kinds of pretexts, gleaned from different quarters, to export its internal crisis to the region as a whole and to expose the region to a new escalation and a new conflagration.

Syria, currently a State Member of the Security Council, is convinced that this august Council is the best forum for dealing with this serious development, to condemn it and to put an end to it and prevent it from recurring, since it constitutes a threat to regional and international peace and security, which could have disastrous effects on the situation in the region that would be difficult to control.

(*Signed*) Farouk **Al Sharaa**
Minister for Foreign Affairs
Syrian Arab Republic

United Nations S/2003/941

Security Council

Distr.: General
5 October 2003

Original: English

Letter dated 5 October 2003 from the Permanent Representative of the Syrian Arab Republic to the United Nations addressed to the President of the Security Council

On behalf of the League of Arab States, I have the honour to request that the Security Council extend an invitation to His Excellency Mr. Yahya Mahmassani, Permanent Observer of the League of Arab States to the United Nations, to address the Council under rule 39 of its provisional rules of procedure in the course of the Council's consideration of the letter dated 5 October 2003 from the Permanent Representative of the Syrian Arab Republic to the United Nations addressed to the President of the Security Council (S/2003/939).

(*Signed*) Fayssal **Mekdad**
Permanent Representative
Mission of the Syrian Arab Republic to the United Nations

03-54183 (E) 061003

United Nations S/2003/942

Security Council

Distr.: General
5 October 2003

Original: English

Letter dated 5 October 2003 from the Permanent Observer of Palestine to the United Nations addressed to the President of the Security Council

I have the honour to request that, in accordance with its previous practice, the Security Council invite the Permanent Observer of Palestine to the United Nations to participate in the meeting of the Security Council to be held on 5 October 2003, regarding the letter dated 5 October 2003 from the Minister for Foreign Affairs of the Syrian Arab Republic (S/2003/940, annex).

(*Signed*) Nasser **Al Kidwa**
Ambassador
Permanent Observer of Palestine to the United Nations

03-54177 (E) 061003

United Nations S/2003/943

Security Council

Distr.: General
5 October 2003
English
Original: Arabic

Letter dated 5 October 2003 from the Permanent Representative of Lebanon to the United Nations addressed to the President of the Security Council

I have the honour to transmit herewith a letter addressed to you by the acting Minister for Foreign Affairs and Emigration to denounce the violation of Lebanese airspace by Israeli military aircraft targeting a site situated inside the territory of Syria. Lebanon requests the Security Council to convene an emergency meeting to consider these acts of aggression and the measures that must be taken to deter Israel.

(*Signed*) Sami **Kronfol**
Ambassador
Permanent Representative

03-54200 (E) 061003 061003

Annex to the letter dated 5 October 2003 from the Permanent Representative of Lebanon to the United Nations addressed to the President of the Security Council

We wish to inform you that on the morning of Sunday, 5 October 2003, the Israeli air force violated Lebanese airspace, targeting a site situated inside the territory of the Syrian Arab Republic. Moreover, on the same day, in the afternoon, eight Israeli military aircraft violated Lebanese airspace in southern and northern Lebanon.

It should be noted that, despite the positions repeatedly taken by the Secretary-General, and notwithstanding the statements and warnings of his representative in Lebanon, Israel's violations of Lebanese airspace are continuing without any reason or justification. The latest of these violations consisted of the use of Lebanese airspace today to attack a neighbouring fraternal State. This act constitutes a grave escalation and a new development in the methods of aggression resorted to by Israel. Lebanon therefore requests the Security Council to convene an emergency meeting in order to consider these acts of aggression and to take the necessary measures to deter Israel.

The violations referred to above, in particular the most recent violation, constitute a shameful attack on the blue line maintained by the United Nations in southern Lebanon, a threat to stability along this blue line and a manifestation of Israel's attempts to export abroad its current impasse in the occupied territories.

While drawing the attention of the Security Council to this grave situation, Lebanon has full confidence in the measures that the Council will take to condemn Israel and put an end to its aggression, the disastrous consequences of which are liable to shatter the balance of deterrence established in southern Lebanon along the blue line, and pose serious threats to the security and stability of the region.

United Nations S/2003/944

Security Council

Distr.: General
6 October 2003

Original: English

Report of the Secretary-General on the United Nations Mission of Support in East Timor

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1410 (2002), in which the Council decided to establish, as from 20 May 2002, for an initial period of 12 months, the United Nations Mission of Support in East Timor (UNMISET). In paragraph 13 of that resolution, the Security Council requested the Secretary-General to keep it closely and regularly informed of progress towards implementation of the resolution, including, in particular, progress towards achievement of the milestones in the mandate implementation plan.

2. Having considered my report dated 21 April 2003 (S/2003/449), the Security Council adopted resolution 1480 (2003), in which it extended the mandate of UNMISET for a further 12 months until 20 May 2004. The present report describes the activities of UNMISET since my previous report, outlines in broad terms the progress that may be achieved by the end of the mandate period, and identifies areas where further needs will probably remain.

II. Political developments in Timor-Leste

3. On 20 May 2003, the Government of Timor-Leste marked the first anniversary of the "restoration of independence" with a major celebration in Dili and smaller district-level celebrations. Over the following months, Timor-Leste's political institutions have continued to develop, as have its relations with other countries inside and beyond the region.

4. On 28 April 2003, President Gusmão initiated his "open presidency" programme, which entails visits to mainly isolated villages to discuss local matters, with a particular focus on security issues. The Government continued its own "open governance" initiative, in which senior members of Government, including ministers, secretaries of state, vice ministers and directors, conduct week-long visits to districts to discuss issues of local concern. Such initiatives can help address the need for a sense of engagement by the general public in political processes.

5. A number of options for local government are now under review by the Council of Ministers, any of which would lead to greater decentralization and would bring aspects of government decision-making and resource management closer to

03-53596 (E) 081003

communities. This issue was also the subject of a series of subdistrict consultations followed by a national dialogue on local governance, organized by President Gusmão, to elicit ideas and suggestions from the general public which are to be shared with Government and Parliament. A draft bill on the election of village chiefs and councils is before the Parliament that would lead to the first nationwide elections in an independent Timor-Leste and would seek to enhance the legitimacy of the role of community leaders.

6. The National Parliament concluded its first year of regular legislative activity, including adoption of the national budget for the current fiscal year following an extensive review process. Since restoration of independence, the Parliament has adopted 16 laws; most of the legislation adopted by the Parliament has been received from the Government and has undergone little substantive change within the legislature, where 55 of the 88 seats are held by the ruling Fretilin party. In addition, the Government has issued 21 decree-laws, and the President of the Republic has issued 10 presidential decrees.

7. Following assumption of office in May 2003 by the President of the Court of Appeal, who presides over the appointment, promotion, discipline and dismissal of judges in his capacity as the President of the Superior Council of Judiciary, an additional international judge has been appointed to the Court, permitting it to resume operations in June 2003 after a one and a half year hiatus. In its first decision on 30 June, in a case submitted by President Gusmão, the Court held certain articles of the immigration bill adopted by Parliament to be unconstitutional. A 15 July decision by the Court of Appeal raised fundamental questions about applicable law in Timor-Leste that would have important implications for both civil and criminal law, including the serious crimes process, as discussed below. This issue is now the subject of a bill pending before the National Parliament that may clarify the issue.

8. Over the reporting period, leaders from Timor-Leste and Indonesia have continued to develop the strong relations that have been established between their countries since independence. Prime Minister Mari Alkatiri paid an official visit to Indonesia in June, while Indonesian Foreign Minister Hassan Wirajuda attended the second meeting of the Indonesia-Timor-Leste Joint Ministerial Commission, held in Dili from 4 to 6 September 2003. This was followed by a visit by former Indonesian Foreign Minister Ali Alatas to Timor-Leste. At the same time, a candidate for the first Indonesian Ambassador to the country has been nominated for parliamentary consideration and appointment.

9. A joint statement issued upon the conclusion of the Joint Ministerial Commission meeting reaffirmed the two countries' intention to address together a number of important issues. This included an instruction that the joint border committee should finalize agreement on the international land boundary by 30 November 2003, with negotiation on maritime border delimitation to follow thereafter; this new timetable replaces the original deadline agreed by the countries of 30 June 2003. The countries also reiterated their intention to encourage resettlement of the East Timorese who are still in West Timor away from the area of the border, and to facilitate the return of those refugees who choose to go back to Timor-Leste. It is essential that the leadership of both countries maintain their commitment to resolving these issues, which are of fundamental importance to the long-term security and development of their peoples.

10. Efforts by both countries will also be required to address other aspects of border management, including speedy implementation of the arrangement on traditional border crossings and regulated markets, which would allow residents of the border areas to cross the border with a simple border-crossing card; implementation of the agreement on a bus service to link the Oecussi enclave with the rest of Timor-Leste; and the conclusion of other agreements to enhance cooperation between police forces and other professional agencies with responsibilities on the two sides of the border.

11. During the reporting period, I have been following closely the progress of the Indonesian Ad Hoc Human Rights Tribunal for Crimes Committed in East Timor. I firmly believe that the perpetrators of serious human rights violations in 1999 in Timor-Leste must be brought to justice.

12. The leadership of Timor-Leste is pursuing discussions on maritime boundary delimitation with Australia, which had been identified as a next step subsequent to the entry into force of the Timor Sea Treaty on 2 April 2003.

13. Also during the reporting period, Timor-Leste became a member of the Economic and Social Commission for Asia and the Pacific, of the United Nations Industrial Development Organization and of the United Nations Educational, Scientific and Cultural Organization, and received a visit from Jan Kavan, President of the fifty-seventh session of the General Assembly.

III. Contribution of the United Nations

A. Role of the Mission

14. During the reporting period, significant progress has been made towards the major milestones identified in UNMISET's mandate implementation plan. No major security incidents have taken place since those that formed the basis for the Security Council's decision, in resolution 1473 (2003), to adjust the downsizing schedule of UNMISET. Nevertheless, it is clear that it will not be possible for Timor-Leste to achieve self-sufficiency in certain key areas of the mandate by 20 May 2004.

Programme I
Stability, democracy and justice

1. Support for the public administration of Timor-Leste

15. Recruitment and training in the area of public administration continued to advance during the reporting period. Out of the total of 13,082 budgeted positions, 11,235 or 86 per cent have been filled, including 76 per cent of mid-level positions, an area where it has been particularly difficult to make progress. Civil servants have mastered a number of the basic skills that are required. However, in several vital areas, international assistance will continue to be required for some time to assure that crucial tasks are discharged; in other areas, civilian advisers are increasingly able to assume a largely mentoring function.

16. Further action by the Timorese leadership is required to ensure the sustainability of the gains that have been achieved to date. This includes the

adoption of necessary legal frameworks, including a civil service law and organic laws, which outline the organizational structure, competence and line of authority of the institution concerned, as well as the formalization of rules and regulations and the standardization of operating procedures.

17. The civilian advisers deployed through UNMISET are working to transfer skills, both through on-the-job training and through more formal in-country training programmes. These include general topics, such as information technology, management and administration, and more specialized fields, such as accounting, finance, taxation and civil aviation. As foreseen in UNMISET's mandate implementation plan, 30 of the 100 civilian advisers are scheduled to depart in November 2003; based on consultations in mid-2003 with the Government of Timor-Leste, the remaining advisers will focus on the areas of financial and central services and the justice sector. Civilian advisers are also preparing training manuals and training Timorese trainers to promote sustainability of the civil administration after UNMISET's departure.

18. Progress in preparing the civil administration continues to be undermined by delays in provision of advisers deployed through bilateral funding. Of the 209 such positions identified by the Government as crucial, only 86 advisers have been deployed to date. Although donors have committed to filling another 47 positions, the remaining advisers have not yet arrived in Timor-Leste more than 16 months after independence; 76 positions or 36 per cent of the total have not yet been funded. There is also a continuing need for bilateral and multilateral support for training courses, including in other countries.

19. Regardless of the progress that is made in the remaining eight months of the mission, it is clear that Timor-Leste's public administration will continue to require support for some time to come in a number of areas, including finance, justice, internal administration, infrastructure, the National Parliament and the Office of the President. The Government has undertaken a needs assessment in cooperation with UNMISET and the United Nations Development Programme (UNDP) of the most critical functions that would be required post-UNMISET. This represents the first component of a strategic plan for strengthening Timor-Leste's civil service, to be completed in early 2004, which would seek to link all skill- and capacity-building interventions and prevent duplication.

20. Shortages of qualified personnel and limited infrastructure have affected the justice sector in particular and generate chronic delays, so that as much as 22 per cent of the prison population is comprised of individuals in detention under expired warrants. Among the measures through which Timor-Leste could help to address the problem of illegal detention would be regular judicial review of pre-trial detention in accordance with the law and strengthening the capacity of public defenders.

21. Additional resources are required for training of judges, prosecutors and public defenders, and for the establishment of coordinated case management procedures within the Courts, prosecution and public defenders' offices. These and other outstanding requirements in the justice sector to June 2006 are outlined in a comprehensive justice sector support programme, prepared by the Government with support from UNDP. Assistance in these areas would enhance capacity in all key elements of the justice system and would promote compliance with rule of law and international standards.

22. There has been limited progress with regard to recommendations of the joint needs assessment mission on corrections that took place in February 2003. A national corrections commission has not yet been established by the Government, and advance in the establishment of a juvenile facility remains slow. There has also been little progress on developing a code of conduct for prison staff, the development of a mechanism to deal with breaches of discipline by inmates, transportation for social workers or the establishment of a prison oversight mechanism, as required by the United Nations Transitional Administration in East Timor (UNTAET) regulation No. 2001/23.

23. The legislation establishing the Office of the Provedor for Human Rights and Justice is now under consideration by the National Parliament, following its adoption by the Council of Ministers in July 2003. This independent institution, which may be functional by March 2004, could play a key role in supporting good governance and civil rights within Timor-Leste through its advocacy and oversight activities. However, its effectiveness will depend upon the availability of the necessary assistance, particularly as it begins to function. Staff who are now under recruitment will require training beyond the conclusion of UNMISET. The Office would also benefit from assistance in forming links with other relevant international bodies in support of its independent role.

2. Assistance in the conduct of investigations of serious crimes

24. Prosecution of serious crimes has continued to progress, in accordance with the Security Council's emphasis on the importance of this process. Five additional indictments were filed during the reporting period, including an indictment in the tenth "priority case" of serious crimes, which was filed in early July 2003, and four convictions were handed down by the Special Panels on Serious Crimes in Dili.

25. UNMISET continues to play a key role in supporting this process through its serious crimes unit, which will be focusing in particular on trials and appeals during the remaining months of the mandate. It is also assisting in the area of defence services, where necessary, and providing training to Timorese personnel in coordination with bilateral donors. However, capacity-building has been hampered by a lack of qualified lawyers, particularly in the area of defence.

26. A number of questions concerning the future of the serious crimes process are outstanding, including the issues raised by the Court of Appeal in the case of *Public Prosecutor v. Armando dos Santos*, in which it decided that the law applicable prior to 25 October 1999 was Portuguese law and not Indonesian law as previously understood; the ensuing lack of clarity has further hindered capacity-building efforts. The Court also decided that prosecution of serious crimes under UNTAET regulation No. 2000/15 contravened article 24 of the national Constitution, which prohibits the retroactive application of laws. It is hoped that these issues will be clarified by Parliamentary action and, following application by the Prosecutor-General, by further decisions by the Court of Appeal, which currently exercises the functions of the Supreme Court.

27. Other outstanding questions require further decisions by the international community. Although trials in respect of the 10 priority cases and the five widespread patterns of violence may be substantially completed by June 2004, this is unlikely to be the case for all other serious crimes indictments. It also does not appear possible to complete appellate procedures, which legally require the

participation of international judges for serious crimes cases. In addition to the constitutional cases noted above, the Court of Appeals already faces a backlog of 80 pending appeals, including eight appeals against final decisions from the special panels and 26 interlocutory appeals in cases related to serious crimes. Furthermore, while nearly 50 per cent of the more than 1,300 recorded murders in 1999 have been investigated and prosecuted to date, there remain approximately 700 recorded murders that appear to be related to serious crimes. The preparation of indictments related to these cases would require at least another year after conclusion of UNMISET's mandate.

28. The great majority of those indicted for serious crimes remain outside of the country. It is essential that they be brought to justice as stressed by the Security Council.

29. With ongoing support from UNMISET, the Commission for Truth, Reception and Reconciliation continues to pursue its complementary mandate through a range of mechanisms, including public hearings, workshops and reconciliation procedures, for which the public has demonstrated strong demand. The National Parliament has extended the mandate of the Commission until 7 October 2004. Continued technical support will be necessary for the Commission to complete its crucial work and to publish and disseminate its final report.

Programme II
Internal security and law enforcement

30. Over the reporting period, the internal situation in Timor-Leste has been relatively calm despite occasional reports of armed groups and criminal elements in rural areas, smuggling, extortion and robberies and, within urban areas, sporadic violence among martial arts groups and youth gangs.

31. The National Police of Timor-Leste (PNTL) has continued to develop with assistance from UNMISET, although its capacity and resources in a number of key areas remain limited. As of September 2003, of an expected total strength of 3,062, PNTL has trained 2,778 police officers, of which over 20 per cent are women, while a further 250 recruits are currently in training. Drawing upon assistance from UNMISET and from bilateral donors, PNTL is continuing to train its specialized units, including the rapid intervention unit, whose development has been facilitated by the presence of UNMISET's formed police unit.

32. PNTL assumed responsibility for the management of routine policing in a further six of Timor-Leste's 13 districts during the reporting period, in addition to the six districts where handover has already occurred. UNMISET will retain this management responsibility for the Dili district until January 2004.

33. In those districts that have been handed over, UNMISET police advisers continue to support the development of the skills of their Timorese counterparts, including in the areas of professional ethics and respect for human rights. As of January 2004, the great majority of UNMISET police will focus on providing guidance and advice, although the international formed unit will retain a primarily operational role. Should a situation arise that exceeds the capacity of police, the UNMISET military component will remain available for back-up support, based on

the judgement of the UNMISET police commissioner and the approval of my Special Representative.

34. UNMISET continues to support the efforts of the PNTL Institution Strengthening Committee to improve the policy, administrative and legislative measures recommended by the joint assessment mission on policing. Objectives include improved capacity in PNTL policy and planning; improved relationships between PNTL and other parts of the government, such as the defence force and the judicial organs; standardization of police policies and procedures; development of public recognition and understanding of the role of PNTL; expansion of the basic training curriculum to six months from January 2004; increased efficiency in training implementation; and further integration of human rights in all police training.

35. Despite this progress, it is clear that ensuring the effectiveness, impartiality and accountability of the national police force, at both the institutional and operational levels, will remain a long-term challenge. Following UNMISET's departure, the specialized units will play a crucial role in Timor-Leste's security structure, particularly in management of the border area, as described below. However, they continue to lack essential equipment and financial resources and it is likely that they will require additional assistance even after May 2004. Furthermore, by the end of UNMISET's mandate PNTL will continue to lack skills in a number of other specialized areas, including investigation, forensics, intelligence-gathering and special police operations to counter major crimes, such as terrorism, abduction and hijacking.

36. More fundamentally, there have been disturbing reports of police misconduct, involvement in criminal activities, bribery, excessive use of force and physical assault of citizens. PNTL's ability to win public confidence will depend upon further efforts to strengthen discipline and compliance with internationally accepted standards of policing. Continued mentoring and monitoring of PNTL and its special units would be necessary to promote oversight, accountability and compliance with international human rights standards. Further efforts will be required to develop appropriate institutional and legal frameworks, to ensure that police recruitment is based on merit and to encourage an open and democratic policing culture.

Programme III
External security and border control

1. Support for external security and territorial integrity

37. There was no repetition during the reporting period of the kinds of armed attacks that took place in January and February 2003, and overall the situation has remained generally calm. This has been supported by the regular reconnaissance and surveillance activity by UNMISET's military component, drawing upon the resources made available through the revised downsizing schedule authorized in Council resolution 1473 (2003).

38. UNMISET has sought to further institutionalize cooperation on security issues with and among Timorese agencies. Invitations have been extended to PNTL officers and the Timorese armed forces to work together in a joint information centre with international military and police in order to gain further experience in

information analysis and planning. In cases where PNTL is undertaking law and order or internal security operations, the UNMISET military component routinely receives a copy of the security plan for information or for planning purposes from district-level security committees, which are chaired by the District Administrator and attended by United Nations and local security agencies operating in the District, and have provided a useful forum to discuss local security issues and promoted greater coordination between all security agencies.

39. As indicated in previous reports, the Timorese armed forces would not take on areas of responsibility in addition to the district of Lautem prior to the handover of defence responsibilities to the Government of Timor-Leste, which is planned for 20 May 2004. Development of the Timorese armed forces will continue to depend upon donor support through the provision of equipment, training and facilities. However, the interaction of the Timorese armed forces with counterparts in UNMISET's military component can offer some opportunities for skills and knowledge transfer. Based on progress to date, a company-level capability of Timorese armed forces to undertake limited response operations may be available by the end of UNMISET's mandate. However, the development of a battalion-level capability able to conduct sustained operations is likely to take some more years following UNMISET's withdrawal.

40. UNMISET's military component, which included over 3,300 troops as of September 2003, will rapidly reduce in numbers over the coming months, beginning with withdrawal in October of the battalion currently based in the Oecussi enclave. By the end of 2003, the military component will reduce to 1,750, with the closure of the tactical headquarters for Sector West, and will make a transition to a structure with two infantry battalions with responsibility for the western and eastern parts of the country respectively. Each battalion will maintain a permanent presence in some districts and undertake patrols throughout the remainder of its area of operations, while maintaining a capability to respond proactively to threats to the security environment. As noted in my previous report, mobility and flexibility in the use of troops, together with continuing cooperation with Timorese agencies, will be crucial to ensure its effectiveness during the remaining months of the mandate.

2. Assisting in the development of border security and control

41. The stated commitment by the leadership of Indonesia and Timor-Leste to conclusion of an agreement on their common border, as adopted at the Joint Military Commission meeting in September 2003, has provided political support for the technical advances achieved through the efforts of the joint survey undertaken in June and July 2003, and for further action in the near future.

42. The area of the tactical coordination line remains porous, and illegal hunting, trade and crossings continue, as does other criminal activity. Close cooperation with Indonesia will remain crucial to address these and other longer-term security challenges in the area, including the problems posed by the continued presence of a significant population of former refugees. Approximately 26,000 former refugees from Timor-Leste still remain in West Timor, most of them located in the border areas. Only 311 former refugees returned to Timor-Leste over the first nine months of 2003, although the Office of the United Nations High Commissioner for Refugees and the International Organization for Migration had in place mechanisms with the Government of Indonesia to permit continued repatriation of former East Timorese

refugees to Timor-Leste even after the end of refugee status on 1 January 2003. In addition to its security implications, this situation also has considerable humanitarian costs, including cases where parents and their children are located on separate sides of the tactical coordination line; durable solutions must be identified for these problems.

43. In this context, President Gusmão is engaging in border reconciliation meetings to promote long-term reconciliation amongst the Timorese. The Government of Indonesia is exploring additional means to encourage return and resettlement of the refugees in West Timor, while continuing to assist and encourage voluntary return to Timor-Leste through the provision of registration and transport facilities.

44. The timely reduction and withdrawal of UNMISET's military component require a smooth transfer of responsibility to the relevant Timorese agencies and institutions, including the border patrol unit and rapid deployment service of PNTL. It is envisaged that the border patrol unit will have primary responsibility for management and patrol of the immediate border areas, while the rapid deployment service will provide a response capability to deal with armed groups in the border districts. Officers of the border patrol unit are currently deployed in all three districts along the tactical coordination line and have assumed responsibility for all but one of the nine main crossing points with West Timor as well as for "patrol zones" in the area. It is planned that the rapid deployment service would be deployed in Oecussi district early in the New Year, and subsequently in Cova Lima and Bobonaro.

45. The UNMISET military component has supplemented the basic police training of the border patrol unit with additional formal and on-the-job training. Some initial progress has also been made towards establishment of the rapid deployment service, but further steps by Timorese authorities are urgent, including the selection of officers, the identification of training location and the provision of necessary equipment. UNMISET continues to foster close and professional ties between Indonesian security agencies and Timorese counterparts to strengthen the foundations for future cooperation and security.

46. While the UNMISET military component will draw back from the tactical coordination line as PNTL units assume their responsibilities, it will continue to patrol the remainder of the tactical coordination line and adjacent districts and will remain available to return to the tactical coordination line areas that have been handed over, if required. UNMISET will also undertake public information activities to build up the trust and confidence of the people in the national security agencies, with which it will maintain cooperation and continue to share information.

B. Role of the United Nations system

47. The activities of the United Nations system in support of Timor-Leste's social and economic development take place in a challenging context. While the development of the country's mineral resources offers long-term promise, Timor-Leste experienced a contraction in gross domestic product of at least 3 per cent in 2002/03, and a further contraction of 2 per cent is expected in the current fiscal year. This drop in economic activity can be attributed to a number of reasons, including declining donor contributions, which fell by 14.7 per cent between fiscal years

2001-2002 and 2002-2003, and by a further 11.4 per cent in 2002 as compared to 2003, and to a reduction in the United Nations presence and the businesses it generated. Unemployment, particularly in urban areas, remains a serious concern.

48. Severe food shortages have been generated by two years of drought, followed by serious flooding in June and July 2003, and further drought is expected between November 2003 and March 2004. In this context, a joint assessment mission by the World Food Programme and the Food and Agriculture Organization of the United Nations estimated that 110,000 people, or nearly one eighth of the population, will require emergency food aid in the coming six months.

49. A significant step towards greater prosperity was made in June 2003, with the finalization by the Government of commercial arrangements with ConocoPhillips on the Bayu-Undan gas development and the enactment of relevant tax legislation by the Parliament. This development is expected to bring as much as US$ 3 billion to Timor-Leste over approximately 17 years. The Government intends to establish a permanent fund, in cooperation with the International Monetary Fund and the World Bank, to manage petroleum revenues efficiently and transparently, paying due attention to the welfare of future generations. Such an arrangement will be vital to ensuring that this resource provides long-term benefits to the people of Timor-Leste. However, delays and technical problems have brought a downward revision in predictions for short-term revenues.

50. Timorese officials reviewed national budgetary priorities and requirements with bilateral partners recently at a meeting held in Dili in June 2003; a further such meeting will be held in December 2003. During the current year, the Government collected $44.1 million in revenue, of which $26.7 million was derived from earnings from development of petroleum, against total budgeted expenditure of $70.6 million; international assistance to the current budget is expected to amount to $26.6 million. While it had originally been expected that this requirement would decline significantly for the 2003-2004 financial year, these assumptions have been placed in doubt by the delayed arrival of Timor Sea revenues.

51. Timor-Leste's economic and social policies continue to be organized within the overarching framework of the national development plan. The Government continues to emphasize vocational training as a means to strengthen Timor-Leste's economic health, while the approval by Parliament of economic legislation currently under consideration could help strengthen investor confidence and encourage growth. Further progress in more fundamental areas is still more urgent, including the adoption of an appropriate legal framework for ownership of land and property, and renewed assurance to the business community regarding Timor-Leste's commitment to a functioning and impartial justice system and to the rule of law.

52. As a means to address immediate needs for job creation and promote stability, the Government continues to pursue the recovery, employment and stability programme for ex-combatants and communities in East Timor, which is supported by UNDP. Project proposals have been submitted from around the country, and it is hoped that the programme will employ significant numbers of people, including veterans and ex-combatants, by the end of 2003. Some progress has also been made towards the restoration of infrastructure and services, with support from the wider United Nations system of agencies, funds and programmes and international financial institutions, including Timor-Leste's assumption of responsibility for providing and coordinating health services in all 13 districts and the establishment

of a national health policy framework to guide health system development. The development of Timor-Leste has been supported by projects undertaken through the Trust Fund for East Timor, which is administered by the World Bank, that focus on rehabilitating infrastructure and enhancing services in such areas as communications, health and agriculture. The World Bank also supports the Government of Timor-Leste through a "transitional support programme" and research into key sectors. United Nations agencies provide training for teachers, literacy promotion activities and support for development of education policy and of primary-level curricula.

IV. Financial aspects

53. The General Assembly, by its resolution 57/327, appropriated the amount of $185.0 million for the maintenance of UNMISET for the period 1 July 2003-30 June 2004. Pursuant to Security Council resolution 1473 (2003), I have submitted to the General Assembly a revised budget seeking an additional $23.8 million for the operation of the Mission for the financial period 2003-2004. The Assembly will take action on my proposed budget during the main part of its fifty-eighth session.

54. As at 30 September 2003, unpaid assessed contributions to the special account for UNTAET/UNMISET amounted to $113.6 million. The total outstanding assessed contributions for all peacekeeping operations at that date amounted to $1,559.5 million.

V. Observations and recommendations

55. Since May 2002, when Timor-Leste celebrated its independence, the country has made remarkable progress in laying the foundations for a functioning civil service and police force. The security situation has improved, and relations with other countries, particularly Indonesia, have continued to grow stronger. Significant progress has also been made in promoting the social and economic development of the country.

56. However, it is also clear that crucial work remains to be done, and that in a number of areas, requirements will remain outstanding after the conclusion of UNMISET's mandate. It will be essential for the country's stability and development that the leaders of Timor-Leste continue to nurture respect for the rule of law, reach out to civil society, and promote political dialogue and discussion, while giving full support to key institutions of democracy — a non-political civil service, a free press and an independent judiciary.

57. In other areas, however, international assistance will continue to be indispensable. As reflected in the present report, these are likely to include further guidance and advice in the areas of civil administration, justice and policing, as well as in such areas as human rights training. It is likely that the new country's capacity to ensure security in the border area will not have reached an optimal level, and that the serious crimes process will not be complete.

58. In this context, it is timely that the international community take stock of what has been achieved, renew its determination to advance as far as possible during the remaining months of UNMISET's mandate, and begin considering the best means

through which the country's needs can be met after its withdrawal. This assessment should be based on a thorough evaluation of the country's key requirements, and should be guided by a recognition, based on experience in Timor-Leste and elsewhere, of the importance of finding reliable means to meet urgent requirements and to secure the considerable investments that have been made in the country to date. The Secretariat is planning to provide further suggestions in this regard in a further report to be issued in early 2004.

59. In conclusion, I would like to pay tribute to the dedicated efforts of my Special Representative, Kamalesh Sharma and the civilian, military and police components of UNMISET, including the United Nations Volunteers.

60. In the tragic context of the attack that took place in Baghdad on 19 August 2003, it is also fitting to recall the remarkable contribution that was made to Timor-Leste by my former Special Representative Sergio Vieira de Mello. Timor-Leste mourned his loss through national ceremonies that offered a moving and eloquent testimony to the depth of admiration and affection in which he was held as the country's transitional administrator. His memory will continue to inspire the international community's quest to ensure a better future for the people of Timor-Leste.

Annex I

Progress and requirements for programme I (Stability, democracy and justice)

Programme	*Current status*	*UNMISET support until May 2004*	*Support by Timor-Leste*	*Additional international support*	*Achievements expected by May 2004 — requirements*
Assistance to ensure that core administrative structures remain sustainable and the required tasks are adequately completed (S/2002/432, para. 69)	Out of the total approximately 13,100 budgeted positions (not including police or defence), 11,235 or about 86 per cent, are currently filled Some 76 per cent of all mid-level positions are currently filled Civil service has attained basic skills, but international assistance continues to be required in key areas, including finance, internal administration and justice Justice sector continues to suffer shortages of qualified personnel and limited infrastructure, leading to delays and illegal detentions	Civilian Support Group (CSG) to continue transfer of skills to civil service, through: On-the-job training Formal in-country training programmes in general and specialized fields Preparation of manuals and standard operating procedures Training of Timorese trainers	Adoption of relevant legal frameworks, civil services law and organic laws Further recruitment of civilian administration Further development of code of conduct for prison staff, prison oversight mechanism, establishment of national corrections commission and juvenile facility	Provision of all 209 development advisers Other bilateral training initiatives, including both short and long duration overseas programmes Technical and other support from bilateral donors in areas highlighted by the justice sector needs assessment mission	90 to 95 per cent recruitment of Timorese administration expected by May 2004 with requisite capacity in most areas; a basic training capacity will be available Substantial needs would remain in the sectors of finance, justice, internal administration and infrastructure, as well as in support of national political structures

Programme	*Current status*	*UNMISET support until May 2004*	*Support by Timor-Leste*	*Additional international support*	*Achievements expected by May 2004 — requirements*
Assistance in the conduct of investigations and court proceedings to bring to justice those responsible for serious crimes committed in 1999, in accordance with the priorities defined by the Security Council in its resolutions 1272 (1999), 1319 (2000) and 1338 (2001) (S/2002/432)	69 indictments have been filed, involving 301 accused persons, including those filed in the 10 priority cases and in the five widespread patterns of violence 29 judgements to date, of which 19 are definitive (not appealed), convicting 35 accused persons 23 cases in process at the special panels; progress in 22 cases is affected by the fact that those accused (228 persons) are outside the jurisdiction 80 appeals pending at the Court of Appeal, of which 34 are serious crimes cases, including interlocutory appeals	Operational and training functions of international prosecutors, judges and defence lawyers Support for complementary Commission for Truth, Reception and Reconciliation process	Decision regarding applicable law for prosecution Support for complementary Commission for Truth, Reception and Reconciliation process	Technical and other support from bilateral donors Extradition of indicted persons to face justice Support for complementary Commission for Truth, Reception and Reconciliation process	Completion of priority serious crimes cases at the trial level Additional staffing and resources would be required to complete ongoing serious crimes process at the appellate level and to support completion of investigation and prosecution of recorded cases, as appropriate

Annex II

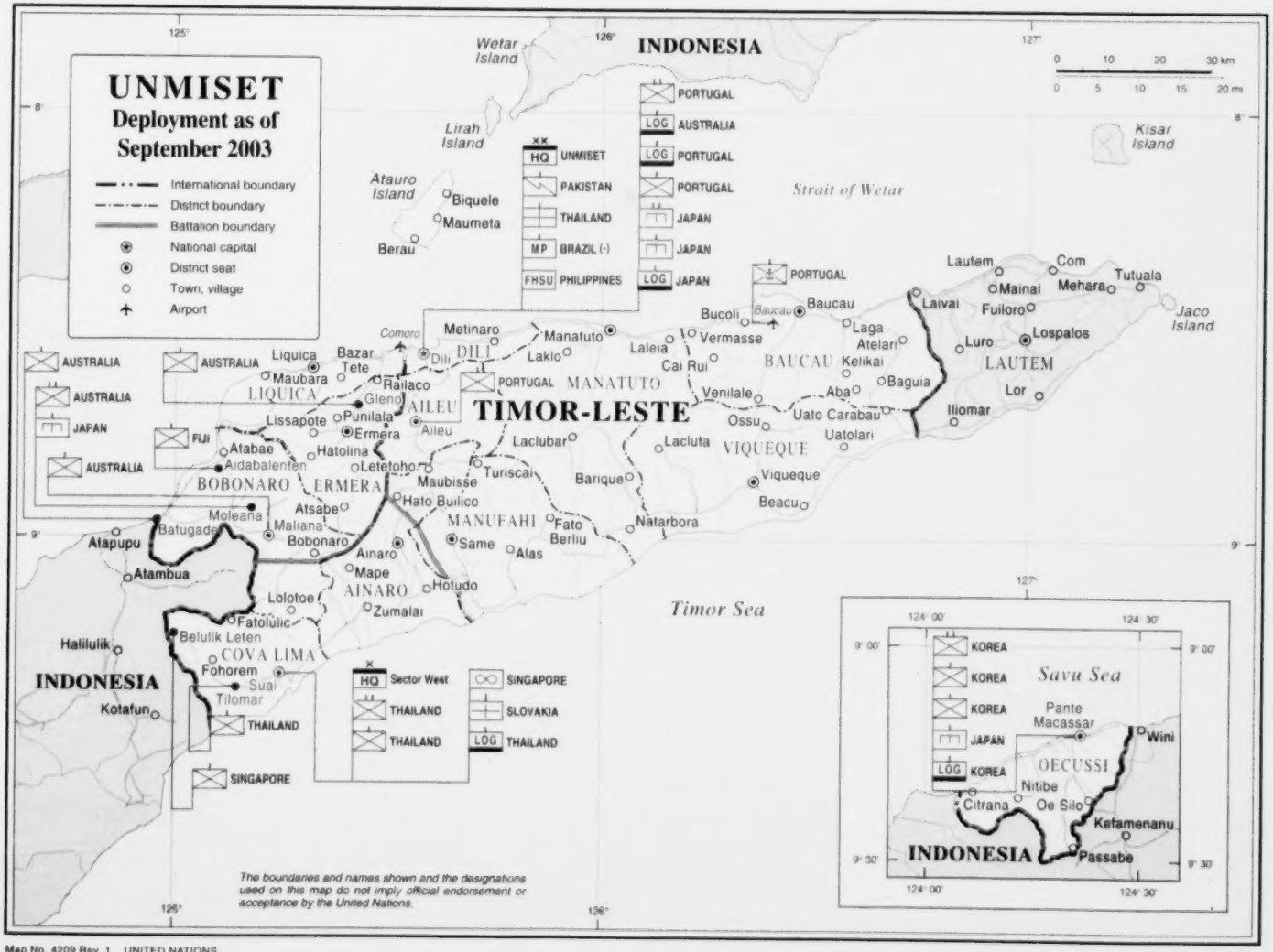
Progress and requirements for programme II (Internal security and law enforcement)

Programme	*Current status*	*UNMISET support until May 2004*	*Support by Timor-Leste*	*Additional international support*	*Achievements expected by May 2004 — requirements*
Provide executive policing and support the development of the East Timor Police Service (S/2002/432)	2,778 PNTL police officers have been trained out of the expected strength of 3,062 Twelve of 13 districts handed over as of September 2003 Progress in selection, training and deployment of specialized units, including those focused on crowd control and border patrol Initial identification of a significant number of recruits for rapid deployment service Following up recommendations by joint assessment mission, PNTL institutional strengthening committee has been established and plan of action has been adopted	Operational responsibilities in Dili district until January 2004 As of January 2004, great majority of UNMISET police will focus on providing guidance and advice, but international formed unit will retain a primarily operational role UNMISET military component will remain available for back-up support, based on the judgement of the UNMISET police commissioner and approval by SRSG Assist PNTL development through support for implementation of joint assessment mission measures and direct training and advice by police advisers	Adoption of measures, including policy directives and legislation, to strengthen PNTL, as identified in the joint assessment mission follow-up process Recruitment and training of remaining officers, including for rapid deployment service Purchase of basic equipment, provision of necessary facilities for border police unit and rapid deployment service	Bilateral initiatives in support of joint assessment mission process for institutional strengthening of PNTL Provision of equipment and training for PNTL and for its special units	PNTL fully recruited and deployed by May 2004; basic training completed for all units Assistance would be necessary in support of ongoing efforts to strengthening PNTL as an institution, as identified in the joint assessment mission follow-up process, including ensuring effective performance and promoting understanding and observance of international standards PNTL would lack expertise in specialized areas

Annex III

Progress and requirements for programme III (External security and border control)

Programme	*Current status*	*UNMISET support until May 2004*	*Support by Timor-Leste*	*Additional international support*	*Achievements expected by May 2004 — requirements*
Provision of continued support for external security and territorial integrity of East Timor through the UNMISET military component, while ensuring timely handover of responsibilities to the East Timor Defence Force and relevant public administration departments (S/2002/432)	Armed forces of Timor-Leste have assumed responsibility for Lautem district	Ongoing presence and patrolling activity by UNMISET military component, with response as necessary Promotion of cooperation with and between Timorese agencies in monitoring and analysing developments Transfer of skills to Armed Forces of Timor-Leste, as appropriate	Establishment of appropriate institutional and legal structures	Bilateral support to Armed Forces of Timor-Leste Close cooperation between Indonesia and Timor-Leste to address outstanding security risks in the tactical coordination line area, including resettlement of remaining refugees	Handover of defence responsibilities to Government of Timor-Leste on 20 May 2004 Development of a battalion-level capability able to conduct sustained operation will take some more years following UNMISET's withdrawal
Development of national border security and control structures and policies, including facilitation of negotiations with neighbouring countries on border delimitation and demarcation (S/2002/432)	Timor-Leste-Indonesia joint technical survey completed in July 2003 Border control services (including PNTL border police unit) structures are in place and have taken responsibility for all but one junction point, which is to be handed over on 23 October 2003	Further technical, operational and logistical support for agreement on the border Skill transfer between UNMISET police and military and Timorese security agencies Promotion of regular contact at the operational and tactical level between Timorese and Indonesian border security agencies	Progress in development of rapid deployment service (described above)	Continued efforts by Indonesia and by Timor-Leste to resolve outstanding issues on the international land boundary and on border management Bilateral support for relevant Timorese security agencies (border police unit and rapid deployment service)	Joint border committee to finalize agreement on the international land boundary by end-November 2003 Timorese security agencies with responsibility in the border area would require continued support, advice and assistance



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